

FINANCIAL STATEMENT

2014-2015

**RELIANCE MEDIAWORKS THEATRES
LIMITED**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RELIANCE MEDIAWORKS THEATRES LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **RELIANCE MEDIAWORKS THEATRES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the financial position of the Company;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303
Place: Mumbai
Date: 25th August, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. The Company does not hold any fixed assets. Thus paragraph 3(i) of the order is not applicable.
- ii. The Company does not hold any inventories. Thus paragraph 3(ii) of the order is not applicable.
- iii. According to the information and explanations given to us the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Therefore, paragraph 3(iii) (a) and (b) of the Order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to sale of services. There is no purchase of inventory, fixed assets and sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. According to information and explanations given to us, the Company has not accepted any deposit during the year.
- vi. According to information and explanations given to us, maintenance of cost records has not been prescribed for the Company by the Central Government under clause sub section (1) of section 148 of the Companies Act, 2013.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a) Undisputed statutory dues, including income tax (tax deducted at source), cess and any other material statutory dues, as applicable, have been generally regularly deposited with the appropriate authorities. As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance, sales-tax, wealth tax, service tax, duty of customs, duty of excise and value added tax.

There were no undisputed amounts payable in respect of income tax (tax deducted at source), cess and any other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no material dues of income tax (tax deducted at source), cess and any other material dues which have not been deposited with the appropriate authorities on account of any dispute.
 - c) According to the information and explanations given to us there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
- viii. The Company does not have accumulated losses at the end of the financial year. The Company has incurred cash losses during the financial year covered by the audit and has not incurred cash losses in the immediately preceding financial year.
- ix. The Company has not borrowed money from any financial institution or bank or by issue of debentures and hence defaulting in repayment of its dues does not arise. Therefore, paragraph 3(ix) of this order does not apply to the company.
- x. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

- xi. In our opinion and according to the information and explanations given to us, the Company has not obtained any term loans.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Pathak H.D. & Associates**
Chartered Accountants
Firm Registration No. 107783W

Vishal D. Shah
Partner
Membership No. 119303
Place: Mumbai
Date: 25th August, 2015